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DEED FORM OPTIONS

Your form of Contract will require a Special Warranty Deed unless you select one of the other options: for General Warranty Deed, Personal Representative's Deed, Bargain and Sale Deed, or Quitclaim Deed. This flier is intended to be used as a brief summary of the meaning of each of those options, and should not be construed as legal advice. Unless you engage an attorney, your title company, which we hope will be Central Colorado Title & Escrow, will prepare the Deed on the selected form pursuant to the terms of your Contract and Closing Instructions.

A **General Warranty Deed** or **Special Warranty Deed** will typically be used to transfer title to real estate in a purchase and sale transaction.

General Warranty Deeds are those historically most often used for sales, and in the past have usually just been labeled "Warranty Deeds." The seller warrants good/clean title to the property, subject only to specifically identified exceptions. This deed carries the broadest seller warranties.

Special Warranty Deeds are now the contractual default if no other box is checked in the contract. The seller still warrants title to the property, but the representations and warranties are limited to the period of time the seller has owned the property. This means that the seller is only warranting against title claims resulting from matters recorded or otherwise arising during the seller's period of ownership.

Personal Representative's Deed: This type of deed applies only if the property being sold is owned by an Estate (ie, if the owner of record is deceased). Often, the Contract itself will call for a general or special warranty deed, and the need for a Personal Representative's Deed (or "PR Deed") will only be flagged when the title commitment is circulated.

Other. **Quitclaim Deeds** and **Bargain and Sale Deeds** do not include any seller representations or warranties. They operate to convey any interest the seller may have in the property, without representation or warranty. We recommend NOT using either of these forms for a purchase and sale transaction, except to transfer water/ditch rights (since those cannot be verified through a county records search) or to transfer any rights the seller may have in areas subject to dispute. These types of deeds are generally used for \$0 related party transfers. The exception to that would be for REO (bank owned through foreclosure) sales and sales by huge property owners like railroads. Those types of sellers generally refuse to give any warranties. If used, a bargain and sale deed is usually preferred over a quitclaim deed, since a bargain and sale deed is also effective to transfer any "after-acquired title." That basically means that if the grantor ever receives an interest in title it will automatically pass to the grantee (this arises in scenarios where the grantor believes they have title, often through divorce or inheritance, but a deed was never actually recorded).

**The Title Insurance Commitment to be provided as part of the transaction will be a contractual arrangement with the buyer to provide insurance coverage that protects the buyer pursuant to its terms, and the title company acts a scrivener only in completing the blanks on the Deed per the Contract.*

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